STATE OF MAINE PUBLIC UTILITIES COMMISSION

Docket No. 97-377

June 22, 1999

PUBLIC UTILITIES COMMISSION Investigation of Bangor Hydro-Electric Company's Quality of Service to Customers Along Route 172 in the Towns of Surry and Blue Hill ORDER APPROVING STIPULATION

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

On July 1, 1997, the Commission opened an investigation into the quality of electric service provided by Bangor Hydro-Electric Company (BHE) to customers located along Route 172 in the Towns of Surry and Blue Hill. The investigation was initiated in response to allegations of substandard service, specifically the repeated occurrence of intense power surges caused by contact between 35 kV transmission lines and distribution lines. Along a portion of Route 172 in the Towns of Blue Hill and Surry, the transmission and distribution lines are hung from the same poles (an industry practice known as "overbuild"). As a result of automobile accidents, fallen tree limbs or other causes, the transmission lines sometimes contacted the distribution lines. The resulting power surges caused severe damage to several customers' appliances and electronic devices. The allegations were detailed at a public hearing held in Blue Hill on May 16, 1997. Following an additional public meeting in Blue Hill and several negotiating sessions, all parties agreed on a stipulation (attached) to resolve the issues presented in this case.

The proposed stipulation notes the measures that BHE has already taken in response to the complaints. These actions include the placement of covered (insulated) conductors for the distribution line along Route 172 to prevent accidental contact with the transmission conductors. BHE also offset the phases between the transmission and distribution lines to minimize the potential for future accidental contact. BHE also placed covered conductor wire along a portion of the connecting Turkey Farm Road, conducted substantial tree trimming along Route 172 and the Turkey Farm Road, and inspected and repaired the distribution equipment in the same area. Finally, BHE offered affected customers free whole-house surge suppressors, replaced most lightning arrestors on the distribution circuit, and advised customers of the desirability and proper use of additional point-of-use surge suppressors for sensitive equipment.

The stipulation provides for an 8-month trial period (beginning April 1, 1999) to monitor the effectiveness of BHE's actions. During the trial period, BHE will file monthly reports with the Commission. BHE agrees to promptly investigate customer complaints and include a description of any complaints and their resolution in the monthly reports. The parties agree to meet after November 1, 1999 to discuss any remaining issues. BHE also agrees to continue its investigation of the cause of recent power surges

affecting certain customers in the Route 172 area and to replace any whole house surge suppressors damaged by those surges. BHE also agrees to compensate customers for damages associated with past surge events on the affected line (as a compromise for certain disputed claims; BHE has already paid undisputed claims) and agrees to pay compensation for damage caused by any future power surges caused by contact between transmission and distribution lines along Route 172.

We have reviewed the proposed stipulation and find that it meets the criteria for our approval and represents a fair and reasonable resolution of the issues raised in this proceeding. Specifically, the parties to the stipulation represent a broad spectrum of interests; the process leading to the stipulation was fair to all parties; and the stipulated result is reasonable and is not contrary to legislative mandate. We are particularly impressed by the broad customer participation in the stipulation. We commend the parties for their efforts to ensure that all interested persons had an opportunity for meaningful participation in the stipulation process.

Accordingly, we

ORDER

- 1. That the Stipulation filed in this case and attached to this Order as Appendix A is approved and incorporated into this Order; and
- 2. That the Administrative Director shall close this docket.

Dated at Augusta, Maine this 22nd day of June, 1999.

BY ORDER OF THE COMMISSION

Raymond Robichaud
Assistant Administrative Director

COMMISSIONERS VOTING FOR: Welch

Nugent Diamond

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of adjudicatory proceedings are as follows:

- 1. <u>Reconsideration</u> of the Commission's Order may be requested under Section 6(N) of the Commission's Rules of Practice and Procedure (65-407 C.M.R.11) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which consideration is sought.
- 2. <u>Appeal of a final decision</u> of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320 (1)-(4) and the Maine Rules of Civil Procedure, Rule 73 et seq.
- 3. <u>Additional court review</u> of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320 (5).

Note:

The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.